

# **Legislative Regulation Review Committee**

2010-045

Department of Motor Vehicles

**LIEN ON MOTOR VEHICLES ABANDONED  
AT SELF-SERVICE STORAGE FACILITIES**

IMPORTANT: Read instructions on bottom of Certification Page before completing this form. Failure to comply with instructions may cause disapproval of proposed Regulations.

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of

## Department of Motor Vehicles

### Lien on Motor Vehicles Abandoned at Self-Service Storage Facilities

The Regulations of Connecticut State Agencies is amended by adding sections 42-160-1 through 42-160-6, inclusive, as follows:

**(NEW) Section 42-160-1. Definitions.**

As used in Sections 42-160-1 through 42-160-6, inclusive, the following words and phrases shall have the following meanings:

"Commissioner" means the Commissioner of Motor Vehicles;

"Default" means failure to perform any obligation or duty imposed by a rental agreement or by chapter 743 of the Connecticut General Statutes;

"Department" means the Department of Motor Vehicles;

"Lienholder" means a person holding a security interest in a motor vehicle that has been recorded in the title records of the department;

"Motor vehicle owner" means the person or persons named on a motor vehicle certificate of title and any registration documents;

"Occupant" means a person, or the sublessee, successor, or assignee of a person, entitled to the use of a storage unit at a self-service storage facility under a rental agreement, to the exclusion of others;

"Owner" means the owner, operator, lessor or sublessor of a self-service storage facility, such owner's agent, or any other person authorized by such owner to manage the self-service facility or to receive rent from an occupant under a rental agreement;

"Rental agreement" means any written agreement or lease that establishes or modifies the terms, conditions, rules or any other provisions concerning the use and occupancy of a unit in a self-service storage facility;

"Self-service storage facility" means any real property designed and used for the renting or leasing of individual self-contained units of storage space to occupants who are to have access to such units for storing and removing personal property only, and not for residential purposes;

"VIN" means the vehicle identification number of a motor vehicle.

**Sec. 42-160-2. Registration of self-storage facility.**

In order to dispose of any motor vehicle abandoned at a self-service storage facility, the owner must comply with chapter 743 of the Connecticut General Statutes and all procedures set forth in sections 42-160-1 through 42-160-6 of the Regulations of Connecticut State Agencies. Prior to the disposition of a motor vehicle or motor vehicles under chapter 743 of the Connecticut General Statutes and sections 42-160-1 through 42-160-6 of the Regulations of Connecticut State Agencies, the owner shall be required to register with the commissioner by submitting such information pertaining to the self-storage facility as the commissioner requests, including but not limited to a copy of the rental

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Agreement used by the owner for the use and occupancy of a unit or units in the self-storage facility. Such information shall be provided on a form approved by the commissioner and shall be kept in the records of the department. The owner shall notify the commissioner within ten (10) days of any change in the information submitted to the department under this section. Upon successfully registering with the department, the owner shall be assigned an identifying number.

### **Sec. 42-160-3. Preliminary requirements for disposition of a motor vehicle.**

(a) Upon registering with the commissioner and prior to disposing of a motor vehicle or motor vehicles under the provisions of chapter 743 of the Connecticut General Statutes, the owner shall contact the department in the manner prescribed by the commissioner for the purpose of determining the name and address of such motor vehicle owner or owners, and the name and address of any lienholder or lienholders that are reflected in the records of the department. When contacting the department, the owner shall be required to provide:

- (1) The owner's identifying number;
- (2) The make and model of each motor vehicle and the VIN that appears on each motor vehicle;
- (3) If number plates are on or in a motor vehicle, any registration number that appears on such number plates or any registration number that appears on a registration certificate if such certificate is available to the owner.

(b) When the owner provides the department with the information specified in subsection (a) of this section, the department shall provide the name and address of each motor vehicle owner and lienholder reflected in its records for each motor vehicle for which a VIN is provided by the owner. If the department has no motor vehicle owner or lienholder information on file for any vehicle or vehicles for which the owner has provided a VIN, such motor vehicle or motor vehicles shall not be disposed of under the procedures specified in chapter 743 of the Connecticut General Statutes and sections 42-160-1 through 42-160-6 of the Regulations of Connecticut State Agencies.

### **Sec. 42-160-4. Notice to occupant, motor vehicle owner and lienholder.**

Within ten (10) days after the receipt from the department of the information pertaining to the motor vehicle owner or owners and the lienholder or lienholders, the owner shall send a written notice to each motor vehicle owner and to each lienholder. The notice shall contain the owner's contact information, shall be sent by postage paid registered or certified mail, return receipt requested, and shall contain the following: (1) the make, model and VIN of the motor vehicle; (2) the date of default by the occupant; (3) the amount that the occupant owes under the rental agreement; (4) a statement that the motor vehicle has a lien attached under chapter 743 of the Connecticut General Statutes as a result of the default of the occupant; (5) a statement that the owner intends to sell the motor vehicle to satisfy the lien. If the motor vehicle owner is the occupant of the self-storage unit, the contents of the notice shall also include the items enumerated in section 42-162 of the Connecticut General Statutes.

### **42-160-5. Filing of notice of intent to transfer with the commissioner.**

(a) After sixty (60) days from the date of default by the occupant, the owner shall file with the department on a form approved by the commissioner a notice of intent to transfer for each motor vehicle upon which the owner claims a lien under chapter 743 of the Connecticut General Statutes and for which the owner has sent the notice required in section 42-160-4 of the Regulations of Connecticut State Agencies. The notice of intent to transfer shall contain the following: (1) the make, model and VIN of such motor vehicle; (2) the date such motor vehicle was left with the owner of such storage facility; (3) the date of default by the occupant; (4) the amount for which a lien is claimed; (5) the registration thereof if any number plates are on or in the motor vehicle; and (6) the name of the motor vehicle owner and the name of the occupant who defaulted. Each notice of intent to transfer shall be accompanied by the defaulting occupant's signed rental agreement and such other

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documents as the commissioner may require as evidence of the owner's lien, including the notice or notices to the occupant, motor vehicle owner if not the occupant and lienholder or lienholders sent in accordance with section 42-160-4 of the Regulations of Connecticut State Agencies. A fee of five dollars (\$5.00) shall be payable to the department for each notice of intent to transfer that the owner files.

(b) Each motor vehicle for which the department receives a notice of intent to transfer under subsection (a) of this section shall be subject to such checks of its VIN as the commissioner may require. If any check of the VIN reveals that a motor vehicle that is subject to transfer has been reported as stolen, the commissioner shall immediately notify the owner, and the owner shall not dispose of the motor vehicle under the procedures specified in chapter 743 of the Connecticut General Statutes.

(c) The commissioner shall notify the owner whether the requirements of subsections (a) and (b) of this section have been met for each motor vehicle that the owner intends to transfer. Notice from the department that the owner has not met the requirements in such subsections for any motor vehicle shall result in the department's refusal to issue title in the event of a transfer of such motor vehicle.

### **Section 42-160-6. Sale of motor vehicles.**

(a) In order to satisfy the owner's lien on a motor vehicle that has been approved for transfer under subsection (c) of section 42-160-5 of the Regulations of Connecticut State Agencies, the owner may sell such motor vehicle at a public sale. The owner shall first allocate the proceeds to pay the expenses of such sale, and then to satisfy any lien or liens that are recorded on the title records of the department. Subsequently, the owner may satisfy its lien from the remaining proceeds of the sale and shall hold the balance, if any, for delivery on demand to the motor vehicle owner and then the occupant.

(b) For each motor vehicle that is to be sold under subsection (a) of this section, the owner shall publish an advertisement or notice of the date, time and place of the public sale of such motor vehicle in a newspaper of substantial circulation in or near the municipality where the self-service storage facility is located. Such advertisement or notice shall be published at least twice within a period not less than ten (10) days preceding the date of such sale. The notice or advertisement shall include: (1) A description of the motor vehicle that is subject to the owner's lien; (2) the name of the occupant, the address of the self-service storage facility and the unit number, if any, of the storage space where the motor vehicle is located; and (3) the date, time, place and manner of the sale.

(c) The owner must send a copy of the advertisement or notice of sale described in subsection (b) of this section to the motor vehicle owner or owners and the lienholder or lienholders, at their addresses of record, by postage paid registered or certified mail, return receipt requested.

(d) At any time prior to the sale of a motor vehicle subject to the owner's lien the lienholder or motor vehicle owner may pay the amount necessary to satisfy the owner's lien, along with reasonable expenses incurred in preparation for the sale of the motor vehicle, and redeem the motor vehicle.

(e) The owner shall provide to the purchaser of a motor vehicle sold under this section proof that notice of the sale was published in accordance with subsection (b) of this section and that notice of the sale was sent to the motor vehicle owner or owners and the lienholder or lienholders in accordance with subsection (c) of this section. Proof of publication documents from the newspaper in which the advertisements or notices are published shall satisfy the requirements for subsection (b) of this section, and copies of notices and registered or certified mail receipts to the motor vehicle owner or owners and the lienholder or lienholders shall satisfy the requirements of subsection (c) of this section.

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(f) The owner shall provide the purchaser of a motor vehicle sold under this section with a bill of sale.

(g) The owner shall provide the purchaser of a motor vehicle sold under this section with an affidavit, on a form approved by the commissioner, in which the owner provides such information as the commissioner may require regarding the sale of the vehicle, and attests that the owner has satisfied any lienholder or lienholders that appeared on the title records of the department for such motor vehicle.

### **Statement of Purpose:**

The purpose of the proposed regulations is to comply with Public Act 09-187, section 46, which requires the commissioner to specify the circumstances under which title to any motor vehicle abandoned at a self-storage facility may be transferred, and to establish a procedure whereby the owner of a self-storage facility may obtain title to such motor vehicle. Sections 45 and 46 of Public Act 09-187 amend sections 42-159 and 42-160 of the Connecticut General Statutes, and are effective January 1, 2010.

### **Summary of Main Provisions:**

Section 1. - This section defines the terms that are used in the regulations.

Section 2. - This section establishes a procedure for the self-service storage facility to register with the commissioner and be assigned an identifying number. The self-service storage facility will use the identifying number when it contacts the department to obtain information regarding the motor vehicle owner and lienholder of a motor vehicle abandoned at such facility

Section 3. - This section specifies the information that must be provided to the department by the self-service storage facility for each motor vehicle that such facility intends to sell to satisfy a lien that has attached under chapter 743 of the Connecticut General Statutes. This section also specifies the information that will be provided by the department to the self-service storage facility with respect to each motor vehicle that such facility intends to sell. This section prohibits the sale of a motor vehicle to satisfy a lien created under chapter 743 of the Connecticut General Statutes if the department does not have owner and lienholder information in its records.

Section 4. - This section details the content of notices that must be sent to motor vehicle owners and lienholders who have an ownership or security interest in a motor vehicle that is to be sold to satisfy a lien that has attached under chapter 743 of the Connecticut General Statutes, and establishes a time frame consistent with section 42-160 in which such notices must be sent.

Section 5. - This section establishes a procedure for the filing with the department of a notice of intent to transfer a motor vehicle, consistent with the time requirements established in section 42-162 of the Connecticut General Statutes. This section also authorizes the department to perform VIN checks for each motor vehicle that is to be sold, and prohibits the sale of a motor vehicle by a self-service storage facility if that vehicle has been reported stolen. This section directs the commissioner to notify the self-service storage facility that either: 1) a vehicle is approved for sale, or 2) the prerequisite conditions for a sale have not been met.

Section 6. - This section details the procedures for selling motor vehicles to satisfy liens that have attached under chapter 743 of the Connecticut General Statutes. It includes a redemption provision for the motor vehicle owner or lienholder at any time prior to the sale. It indicates the order of

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allocation of the proceeds from such sale and specifies the documents that must be provided to the seller so that title will transfer to the buyer.

**Legal Effect of Regulation:**

The commissioner has established a procedure whereby a self-service storage facility will be able to satisfy a lien created by statute by selling a motor vehicle that has been abandoned at the facility. The regulation establishes safeguards for the motor vehicle owner and any lienholder in the title records of the department. When the sale complies with the regulations, the buyer will be able to obtain title in his or her name.

Be it known that the foregoing:

☒ Regulations    ☐ Emergency Regulations are:  
☒ Adopted        ☐ Amended as hereinabove stated    ☐ Repealed

By the aforesaid agency pursuant to:  
☐ Section \_\_\_\_\_ of the Connecticut General Statutes.

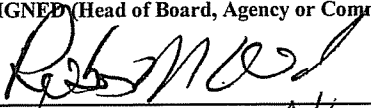
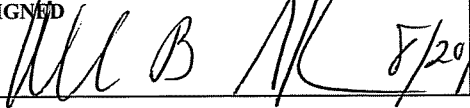
☒ Section 42-160 of the Connecticut General Statutes, as amended by Section 46 of Public Act. No. 09-187 of the Public Acts.  
☐ Public Act. No. \_\_\_\_\_ of the Public Acts.

After publication in the Connecticut Law Journal on \_\_\_\_\_, 2010 of the notice of the proposal to:  
☒ Adopt    ☐ Amend    ☐ Repeal    such regulations

(If applicable): ☐ And the holding of an advertised public hearing on \_\_ day of \_\_ 2010.

WHEREFORE, the foregoing regulations are hereby:  
☒ Adopted    ☐ Amended as hereinabove stated    ☐ Repealed

Effective:  
☒ When filed with the Secretary of the State.  
(OR)  
☐ The \_\_\_\_\_ day of \_\_\_\_\_ 2010.

In Witness Whereof:	Date 8-2-10	SIGNED (Head of Board, Agency or Commission) 	OFFICIAL TITLE, DULY AUTHORIZED COMMISSIONER
Approved by the Attorney General as to legal sufficiency in accordance with Sec. 4-169, as amended, C.G.S.:		SIGNED  8/20/10	OFFICIAL TITLE, DULY AUTHORIZED ASSOC. ATTY. GENERAL

☐ Approved  
☐ Disapproved  
☐ Disapproved in part, (Indicate Section Numbers disapproved only)  
☐ Rejected without prejudice.

The Legislative Review Committee in accordance with Sec. 4-170, as amended, of the Connecticut General Statutes	DATE	SIGNED (Clerk of the Legislative Regulation Review Committee)
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Two certified copies received and filed, and one such copy forwarded to the Commission on Official Legal Publications in accordance with Section 4-172, as amended, of the Connecticut General Statutes.

DATE	SIGNED (Secretary of the State)	BY
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## INSTRUCTIONS

One copy of all regulations for adoption, amendment or repeal, except emergency regulations, must be presented to the Attorney General for his determination of legal sufficiency. Section 4-169 of the Connecticut General Statutes.

Seventeen copies of all regulations for adoption, amendment or repeal, except emergency regulations, must be presented to the standing Legislative Regulation Review Committee for its approval. Section 4-170 of the Connecticut General Statutes.

Each regulation must be in the form intended for publication and must include the appropriate regulation section number and section heading. Section 4-172 of the Connecticut General Statutes.

Indicate by "(NEW)" in heading if new regulation. Amended regulations must contain new language in underlined and deleted language in brackets. Section 4-170 of the Connecticut General Statutes.